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GLOBAL E-COMMERCE MARKETPLACE

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A B2B E-COMMERCE PLATFORM

providing nutritional raw materials for
the dietary supplement, food & beverage,
cosmetic and animal nutrition industries

MEET THE INGREDIENTSONLINE.COM™ TEAM AT THESE EVENTS

OCTOBER

CRN Annual Conference

Date: Oct. 17-20

Location: The Ritz-Carlton, Laguna Niguel, CA

IFT Suppliers' Night - Longhorn

Date: Oct. 18

Location: Embassy Suites Dallas Frisco Hotel
Convention Center, Frisco, TX

NOVEMBER

IFT Suppliers' Night - Chicago

Date: Nov. 1

Booth: 1241

Location: Rosemont, IL

SupplySide West

Date: Nov. 6-10

Booth: 4563 at Entrance

Location: Mandalay Bay Convention Center, Las Vegas, NV

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MAKING COLLABORATIVE SOURCING WORK: THE NASC PREFERRED SUPPLIER PROGRAM

By Bill Bookout, BS, MBA

Co-Founder and President, National Animal Supplement Council

It has been said the impact of the human-animal bond cannot be quantified.

However, according to the APPA, the pet products market is a \$70 billion industry, which may be all the evidence we need to conclude that our pets enrich and improve our lives. Our animals live, sleep, travel and even go to work alongside us, and are routinely given care that parallels—and sometimes surpasses—the care we give ourselves. Around the world, today’s pets are reaping the benefits of their owners’ devotion to providing a happy, healthy life.

Of that \$70 billion, the animal supplements market is valued at \$2.6 billion annually. Humans striving to take better care of themselves often carry that over to their pets, and overall trends for animal supplements tend to follow trends seen in human supplements. More consumers and veterinary professionals than ever are incorporating supplements as a component of “whole pet” care and competition for market share and shelf space is fierce.

The National Animal Supplement Council

As is typical in any thriving industry, along with opportunity comes opportunistic suppliers trying to make fast money by whatever means necessary. Fortunately, the nonprofit National Animal Supplement Council (NASC) makes it harder for nefarious players to gain traction by bringing together responsible suppliers that are committed to quality, vigilance and continuous improvement, and working collectively to improve and standardize the industry.

The NASC was formed in 2001 after the Association of Animal Feed Control Officials (AAFCO) announced that products similar to human dietary supplements marketed for animals as food would become the target of enforcement action by regulators. Few realized the FDA’s 1994 Dietary Supplement Health Education Act (DSHEA) did not apply to animals, and as consumer demand for these products continued to grow, so did regulatory issues around the products. Enforcement began and products with certain ingredients were removed from the marketplace with no recourse for the suppliers.

Knowing product demand would not vanish and consumers might turn to irresponsible

suppliers or give products intended for humans to their animals, the founding members of the NASC proceeded with their objective of gaining majority support from companies throughout the industry and working cooperatively and transparently with regulatory agencies to define, develop and implement a system of self-regulation that would benefit all stakeholders with the ultimate beneficiaries being the animals themselves.

Today, the NASC counts among its members 170 finished product suppliers from around the world that account for approximately 90% of companies selling supplements for dogs, cats and horses, and represent nearly all major brands. These member companies pay monthly dues and are required to adhere to NASC Member Accountability Guidelines and manufacture their products following NASC cGMPs. In addition, member companies wishing to display the NASC Quality Seal on their products must also complete a comprehensive facility audit and maintain ongoing compliance with the NASC’s rigorous requirements.

The NASC Preferred Supplier Program

Having complete confidence in the supply chain is imperative to the success of

NASC members. The NASC established its Preferred Supplier program to differentiate quality suppliers from opportunistic competitors, and to help reign in the rising costs of qualifying suppliers and testing raw materials. The program pre-qualifies vendors so NASC members can accept and use their products and services without additional audits or documentation required under NASC cGMPs and the Food Safety Modernization Act (FSMA).

The Preferred Supplier program is open to suppliers in the following categories: raw materials (ingredients), contract manufacturing, analytical laboratory services and other services (packaging, insurance, consulting, legal, etc.). However, acceptance is not guaranteed. To join the program a company must provide information about the scope of company operations, show quality compliance program certifications, statements and additional documentation specific to the

type of supplier. In addition, a company must be interviewed and approved by an NASC board member.

Because the NASC so thoroughly vets each supplier, NASC members can confidently source from Preferred Suppliers, saving time and reducing the cost of quality. Preferred Supplier is the NASC's fastest growing program and the only of its kind in the animal supplement or pet food industries. 80 companies currently supply products and services to NASC members, the majority of which are ingredients suppliers and contract manufacturers.

The NASC cannot legally limit the number of suppliers selling a certain raw material or service as the goal is to cast a wide net and bring in the very best suppliers throughout the industry, and to encourage robust competition among good suppliers. NASC members with trusted suppliers not in the program are encouraged to recommend they join, helping to populate the program

with quality suppliers that comprehensively fulfill the needs of the membership.

To find a Preferred Supplier that fits their needs, NASC members simply log into the members-only area of the NASC website and search by category or company name. Members can view company information for each supplier, download documentation and generate a customer inquiry that is delivered directly to the supplier.

Documentation required by NASC Preferred Suppliers

A supplier wanting to join the program must complete and submit a lengthy data sheet specific to their membership category which gathers information about the company's operations, facility, audits and certifications, testing, cGMPs and more. The data sheets are modeled after data sheets developed by the Council for Responsible Nutrition (CRN) for use in the human dietary supplement industry.



Creating confidence in the supply chain.

Transparency and traceability aren't just buzzwords. They are imperatives, required by the industry and demanded by consumers. The NASC Preferred Supplier program helps qualify suppliers and verify their quality practices so animal supplement makers can confidently and efficiently source from trusted suppliers. It's another way we help NASC members rise to the top.

To Learn More

Visit animalsupplements.org or call 760.751.3360

According to their category, suppliers must submit the following documents:

RAW MATERIAL SUPPLIERS

- Preferred Supplier Data Sheet (PSDS)
- Facility audit certificate from NSF, SQF, UL, NPA or another accredited auditing body that confirms the facility is operating under cGMPs for dietary supplements. The NASC can conduct the audit if the supplier has not been audited.
- Non-Botanical Ingredient Data Sheet (NBIDS) or Botanical Ingredient Data Sheet (BIDS) for each unique ingredient the company wishes to sell
- Certificate of Analysis (CoA) and test results that confirm the CoA from five separate batch/lot numbers for each individual ingredient the company intends to sell. The CoA must display the supplier's test results and provide evidence that published testing methods for the raw material were used and include details about composition, quality, potency and purity. For certain ingredients, the CoA may also disclose tolerances for certain heavy metals and contaminants, geographical source of the raw ingredient and the plant part the ingredient was extracted from (for botanicals). Of the five tests required, two come directly from the Preferred Supplier and can be tested in-house or through an NASC-approved testing lab. Three additional tests must be initiated by an NASC member or another customer that sources the ingredient from the supplier. Samples are sent by the customer to a third-party NASC-approved lab and then test results are sent to the NASC by the customer to ensure the chain of custody was broken and the tests will stand up to audit scrutiny. After the raw material has been approved, an annual customer test must be submitted to maintain approval.
- Additional documentation about each individual ingredient, such as country of origin statement, GMO statement, irradiation statement, etc.

CONTRACT MANUFACTURERS

- Preferred Supplier Data Sheet (PSDS)
- Current facility audit certificate from NSF, SQF, UL, NPA or another accredited auditing body that confirms the facility is operating under cGMPs for dietary supplements. The NASC can conduct the audit if the supplier has not been audited.
- Additional information requested or applicable to the company's specific processes

ANALYTICAL LABORATORIES

- Analytical Laboratory Data Sheet (ALDS)
- Documentation showing the lab

follows Good Laboratory Practices (GLPs) to assure quality and traceability of test results

- Additional information requested or applicable to the company's specific processes

OTHER PRODUCTS AND SERVICES

- Other Products and Services Data Sheet (OPSDS)
- Additional information requested or applicable to the company's operations



Once accepted into the program, each Preferred Supplier receives a company profile on the NASC website where their documentation is posted and made accessible to NASC members. It is important to note that Preferred

Suppliers are not required to post confidential information that could compromise their business such as proprietary manufacturing processes—customer names can be redacted from test results prior to posting and raw material distributors are not required to disclose

supplier names but are required to verify how suppliers were qualified.

Other benefits to Preferred Suppliers include use of the blue

ingredientsonline.com™ currently has **MSN, Glucosamine and Chondroitin** qualified in the Preferred Supplier Program. Check back often as additional ingredients are being qualified now.

NASC Preferred Supplier graphic to help promote their membership, access to NASC member contacts, complimentary registration for two company representatives at the NASC Annual Conference, opportunity to exhibit at the conference and the opportunity to present webinars and educational materials to members. Preferred Suppliers pay an annual fee to belong to the program.

The Preferred Supplier program has been highly successful, as evidenced by explosive growth over the past two years; a trend that is expected to continue. The program works because it facilitates highly effective collaboration between suppliers and manufacturers, and opens the door to innovation and growth for all parties involved. Because of the NASC Preferred Supplier program, like-minded companies with the best interests of their industry, at heart, are working cooperatively and productively to reduce costs and improve product quality, increasing consumer confidence along the way. 



Bill Bookout, BS, MBA

President and Chair, Board of Directors
National Animal Supplement Council

Bill Bookout is a founding member of the National Animal Supplement Council (NASC) where he serves as President and Chairman of the Board of Directors.

Prior to founding NASC, Mr. Bookout was President of Genesis Limited, a company he founded in 1999 that provides both feed and health products for companion animals.

Visit the NASC website at www.nasc.cc